

HOUSE BILL No. 1603

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1; IC 6-1.3; IC 20-46.5; IC 36-6-5-3.

Synopsis: Fees for new construction. Imposes an interim property fee on a newly constructed homestead as of the time the homestead is complete and before it is subject to property tax. Distributes revenue from the interim property fee in the manner that property taxes are distributed, but reduces property tax levies by the amount of the fees. Imposes an education impact fee on newly constructed homesteads and newly constructed multifamily residential buildings to be paid by the purchaser at the time of transfer of title. Requires deposit of impact fee revenue in the school capital projects fund.

Effective: January 1, 2008.

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January 23, 2007, read first time and referred to Committee on Ways and Means.

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First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

HOUSE BILL No. 1603

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 6-1.1-5-15, AS AMENDED BY P.L.228-2005,
2 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2008]: Sec. 15. (a) Except as provided in subsection (b),
4 before an owner of real property demolishes, structurally modifies, or
5 improves it at a cost of more than five hundred dollars (\$500) for
6 materials or labor, or both, the owner or the owner's agent shall file
7 with the area plan commission or the county assessor in the county
8 where the property is located an assessment registration notice on a
9 form prescribed by the department of local government finance.
10 (b) If the owner of the real property, or the person performing the
11 work for the owner, is required to obtain a permit from an agency or
12 official of the state or a political subdivision for the demolition,
13 structural modification, or improvement, the owner or the person
14 performing the work for the owner is not required to file an assessment
15 registration notice.
16 (c) Each state or local government official or agency shall, before
17 the tenth day of each month, deliver a copy of each permit described in



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subsection (b) to the assessor of the county in which the real property to be improved is ~~situated~~ **located**. Each area plan commission shall, before the tenth day of each month, deliver a copy of each assessment registration notice described in subsection (a) to the assessor of the county where the property is located.

(d) A government official or agency that issues a certificate of occupancy or other approval to occupy or use a newly constructed structure shall, before the tenth day of each month that begins after 2007, deliver to the assessor of the county in which the structure is located copies of all certificates or other approvals that were issued by the official or agency during the previous month.

~~(d)~~ **(e)** Before the ~~last~~ **twentieth** day of each month, the county assessor shall distribute a copy of each:

(1) assessment registration notice filed under subsection (a); ~~or~~

(2) permit received under subsection ~~(b)~~ **(c); and**

(3) certificate or other approval received under subsection (d);

to the assessor of the township in which the real property ~~to be demolished, modified, or improved is situated~~ **located**.

~~(e)~~ **(f)** A fee of five dollars (\$5) shall be charged by the area plan commission or the county assessor for the filing of the assessment registration notice. All fees collected under this subsection shall be deposited in the county property reassessment fund.

~~(f)~~ **(g)** A township or county assessor shall immediately notify the county treasurer if the assessor discovers property that has been improved or structurally modified at a cost of more than five hundred dollars (\$500) and the owner of the property has failed to obtain the required building permit or to file an assessment registration notice.

~~(g)~~ **(h)** Any person who fails to:

(1) file the registration notice required by subsection (a); or

(2) obtain a building permit described in subsection (b);

before demolishing, structurally modifying, or improving real property is subject to a civil penalty of one hundred dollars (\$100). The county treasurer shall include the penalty on the person's property tax statement and collect it in the same manner as delinquent personal property taxes under IC 6-1.1-23. However, if a person files a late registration notice, the person shall pay the fee, if any, and the penalty to the area plan commission or the county assessor at the time the person files the late registration notice.

SECTION 2. IC 6-1.1-11-3, AS AMENDED BY P.L.154-2006, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3. (a) Subject to subsections (e), (f), and (g),

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an owner of tangible property who wishes to obtain an exemption from property taxation shall file a certified application in duplicate with the county assessor of the county in which the property that is the subject of the exemption is located. **Except as provided in IC 6-1.3-4-1**, the application must be filed annually before May 15 on forms prescribed by the department of local government finance. Except as provided in sections 1, 3.5, and 4 of this chapter, the application applies only for the taxes imposed for the year for which the application is filed.

(b) The authority for signing an exemption application may not be delegated by the owner of the property to any other person except by an executed power of attorney.

(c) An exemption application which is required under this chapter shall contain the following information:

(1) A description of the property claimed to be exempt in sufficient detail to afford identification.

(2) A statement showing the ownership, possession, and use of the property.

(3) The grounds for claiming the exemption.

(4) The full name and address of the applicant.

(5) For the year that ends on the assessment date of the property, identification of:

(A) each part of the property used or occupied; and

(B) each part of the property not used or occupied;

for one (1) or more exempt purposes under IC 6-1.1-10 during the time the property is used or occupied.

(6) Any additional information which the department of local government finance may require.

(d) A person who signs an exemption application shall attest in writing and under penalties of perjury that, to the best of the person's knowledge and belief, a predominant part of the property claimed to be exempt is not being used or occupied in connection with a trade or business that is not substantially related to the exercise or performance of the organization's exempt purpose.

(e) An owner must file with an application for exemption of real property under subsection (a) or section 5 of this chapter a copy of the township assessor's record kept under IC 6-1.1-4-25(a) that shows the calculation of the assessed value of the real property for the assessment date for which the exemption is claimed. Upon receipt of the exemption application, the county assessor shall examine that record and determine if the real property for which the exemption is claimed is properly assessed. If the county assessor determines that the real property is not properly assessed, the county assessor shall direct the

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township assessor of the township in which the real property is located to:

- (1) properly assess the real property; and
- (2) notify the county assessor and county auditor of the proper assessment.

(f) If the county assessor determines that the applicant has not filed with an application for exemption a copy of the record referred to in subsection (e), the county assessor shall notify the applicant in writing of that requirement. The applicant then has thirty (30) days after the date of the notice to comply with that requirement. The county property tax assessment board of appeals shall deny an application described in this subsection if the applicant does not comply with that requirement within the time permitted under this subsection.

(g) This subsection applies whenever a law requires an exemption to be claimed on or in an application accompanying a personal property tax return. The claim or application may be filed on or with a personal property tax return not more than thirty (30) days after the filing date for the personal property tax return, regardless of whether an extension of the filing date has been granted under IC 6-1.1-3-7.

SECTION 3. IC 6-1.1-11-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3.5. (a) **Except as provided in IC 6-1.3-4-1**, a not-for-profit corporation that seeks an exemption provided by IC 6-1.1-10 for 2000 or for a year that follows 2000 by a multiple of two (2) years must file an application for the exemption in that year. However, if a not-for-profit corporation seeks an exemption provided by IC 6-1.1-10 for a year not specified in this subsection and the corporation did not receive the exemption for the preceding year, the corporation must file an application for the exemption in the year for which the exemption is sought. The not-for-profit corporation must file each exemption application in the manner (other than the requirement for filing annually) prescribed in section 3 of this chapter.

(b) A not-for-profit corporation that receives an exemption provided under IC 6-1.1-10 for a particular year that remains eligible for the exemption for the following year is only required to file a statement to apply for the exemption in the years specified in subsection (a), if the use of the not-for-profit corporation's property remains unchanged.

(c) A not-for-profit corporation that receives an exemption provided under IC 6-1.1-10 for a particular year which becomes ineligible for the exemption for the following year shall notify the assessor of the county in which the tangible property for which it claims the exemption is located of its ineligibility on or before May 15 of the year for which it

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becomes ineligible. If a not-for-profit corporation that is receiving an exemption provided under IC 6-1.1-10 changes the use of its tangible property so that part or all of that property no longer qualifies for the exemption, the not-for-profit corporation shall notify the assessor of the county in which the tangible property for which it claims the exemption is located of its ineligibility on or before May 15 of the year for which it first becomes ineligible. The county assessor shall immediately notify the county auditor of the not-for-profit corporation's ineligibility or disqualification for the exemption. A not-for-profit corporation that fails to provide the notification required by this subsection is subject to the penalties set forth in IC 6-1.1-37-9.

(d) For each year that is not a year specified in subsection (a), the auditor of each county shall apply an exemption provided under IC 6-1.1-10 to the tangible property owned by a not-for-profit corporation that received the exemption in the preceding year unless the county property tax assessment board of appeals determines that the not-for-profit corporation is no longer eligible for the exemption.

(e) The department of local government finance may at any time review an exemption provided under this section and determine whether or not the not-for-profit corporation is eligible for the exemption.

SECTION 4. IC 6-1.1-12-2, AS AMENDED BY P.L.154-2006, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 2. (a) Except as provided in section 17.8 of this chapter, a person who desires to claim the deduction provided by section 1 of this chapter must file a statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. **Except as provided in IC 6-1.3-4-1**, with respect to real property, the statement must be filed during the twelve (12) months before June 11 of each year for which the person wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 2 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. In addition to the statement required by this subsection, a contract buyer who desires to claim the deduction must submit a copy of the recorded contract or recorded memorandum of the contract, which must contain a legal description sufficient to meet the

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requirements of IC 6-1.1-5, with the first statement that the buyer files under this section with respect to a particular parcel of real property. Upon receipt of the statement and the recorded contract or recorded memorandum of the contract, the county auditor shall assign a separate description and identification number to the parcel of real property being sold under the contract.

(b) The statement referred to in subsection (a) must be verified under penalties for perjury, and the statement must contain the following information:

(1) The balance of the person's mortgage or contract indebtedness on the assessment date of the year for which the deduction is claimed.

(2) The assessed value of the real property, mobile home, or manufactured home.

(3) The full name and complete residence address of the person and of the mortgagee or contract seller.

(4) The name and residence of any assignee or bona fide owner or holder of the mortgage or contract, if known, and if not known, the person shall state that fact.

(5) The record number and page where the mortgage, contract, or memorandum of the contract is recorded.

(6) A brief description of the real property, mobile home, or manufactured home which is encumbered by the mortgage or sold under the contract.

(7) If the person is not the sole legal or equitable owner of the real property, mobile home, or manufactured home, the exact share of the person's interest in it.

(8) The name of any other county in which the person has applied for a deduction under this section and the amount of deduction claimed in that application.

(c) The authority for signing a deduction application filed under this section may not be delegated by the real property, mobile home, or manufactured home owner or contract buyer to any person except upon an executed power of attorney. The power of attorney may be contained in the recorded mortgage, contract, or memorandum of the contract, or in a separate instrument.

SECTION 5. IC 6-1.1-12-10.1, AS AMENDED BY P.L.154-2006, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 10.1. (a) Except as provided in section 17.8 of this chapter, an individual who desires to claim the deduction provided by section 9 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with

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the auditor of the county in which the real property, mobile home, or manufactured home is located. **Except as provided in IC 6-1.3-4-1,** with respect to real property, the statement must be filed during the twelve (12) months before June 11 of each year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed between January 15 and March 31, inclusive of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement referred to in subsection (a) shall be in affidavit form or require verification under penalties of perjury. The statement must be filed in duplicate if the applicant owns, or is buying under a contract, real property, a mobile home, or a manufactured home subject to assessment in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

- (1) the source and exact amount of gross income received by the individual and the individual's spouse during the preceding calendar year;
- (2) the description and assessed value of the real property, mobile home, or manufactured home;
- (3) the individual's full name and complete residence address;
- (4) the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on contract; and
- (5) any additional information which the department of local government finance may require.

(c) In order to substantiate the deduction statement, the applicant shall submit for inspection by the county auditor a copy of the applicant's and a copy of the applicant's spouse's income tax returns for the preceding calendar year. If either was not required to file an income tax return, the applicant shall subscribe to that fact in the deduction statement.

SECTION 6. IC 6-1.1-12-12, AS AMENDED BY P.L.141-2006, SECTION 9, AS AMENDED BY P.L.145-2006, SECTION 16, AND AS AMENDED BY P.L.154-2006, SECTION 14, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 12. (a) Except as provided in section 17.8 of this chapter, a person who desires to claim the deduction provided in section 11 of this chapter must file an application, on forms prescribed

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by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. **Except as provided in IC 6-1.3-4-1**, with respect to real property, the application must be filed during the twelve (12) months before ~~May~~ June 11 of each year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the application must be filed during the twelve (12) months before March 2 of each year for which the individual wishes to obtain the deduction. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) Proof of blindness may be supported by:

- (1) the records of a county office of family and children, the division of family ~~and children~~, resources, or the division of disability ~~aging~~, and rehabilitative services; or
- (2) the written statement of a physician who is licensed by this state and skilled in the diseases of the eye or of a licensed optometrist.

(c) The application required by this section must contain the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that ~~he~~ the individual is to pay property taxes on the real property, mobile home, or manufactured home.

SECTION 7. IC 6-1.1-12-15, AS AMENDED BY P.L.154-2006, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 15. (a) Except as provided in section 17.8 of this chapter, an individual who desires to claim the deduction provided by section 13 or section 14 of this chapter must file a statement with the auditor of the county in which the individual resides. **Except as provided in IC 6-1.3-4-1**, with respect to real property, the statement must be filed during the twelve (12) months before June 11 of each year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 2 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain a sworn declaration that the individual is entitled to the

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deduction.

(b) In addition to the statement, the individual shall submit to the county auditor for the auditor's inspection:

(1) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 13 of this chapter;

(2) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 14 of this chapter; or

(3) the appropriate certificate of eligibility issued to the individual by the Indiana department of veterans' affairs if the individual claims the deduction provided by section 13 or 14 of this chapter.

(c) If the individual claiming the deduction is under guardianship, the guardian shall file the statement required by this section.

(d) If the individual claiming a deduction under section 13 or 14 of this chapter is buying real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property under a contract that provides that the individual is to pay property taxes for the real estate, mobile home, or manufactured home, the statement required by this section must contain the record number and page where the contract or memorandum of the contract is recorded.

SECTION 8. IC 6-1.1-12-17, AS AMENDED BY P.L.154-2006, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 17. Except as provided in section 17.8 of this chapter, a surviving spouse who desires to claim the deduction provided by section 16 of this chapter must file a statement with the auditor of the county in which the surviving spouse resides. **Except as provided in IC 6-1.3-4-1**, with respect to real property, the statement must be filed during the twelve (12) months before June 11 of each year for which the surviving spouse wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 2 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain:

(1) a sworn statement that the surviving spouse is entitled to the deduction; and

(2) the record number and page where the contract or memorandum of the contract is recorded, if the individual is

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1 buying the real property on a contract that provides that the
2 individual is to pay property taxes on the real property.

3 In addition to the statement, the surviving spouse shall submit to the
4 county auditor for the auditor's inspection a letter or certificate from the
5 United States Department of Veterans Affairs establishing the service
6 of the deceased spouse in the military or naval forces of the United
7 States before November 12, 1918.

8 SECTION 9. IC 6-1.1-12-17.5, AS AMENDED BY P.L.154-2006,
9 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JANUARY 1, 2008]: Sec. 17.5. (a) Except as provided in section 17.8
11 of this chapter, a veteran who desires to claim the deduction provided
12 in section 17.4 of this chapter must file a sworn statement, on forms
13 prescribed by the department of local government finance, with the
14 auditor of the county in which the real property, mobile home, or
15 manufactured home is assessed. **Except as provided in IC 6-1.3-4-1,**
16 with respect to real property, the veteran must file the statement during
17 the twelve (12) months before June 11 of each year for which the
18 veteran wishes to obtain the deduction. With respect to a mobile home
19 that is not assessed as real property or a manufactured home that is not
20 assessed as real property, the statement must be filed during the twelve
21 (12) months before March 2 of each year for which the individual
22 wishes to obtain the deduction. The statement may be filed in person
23 or by mail. If mailed, the mailing must be postmarked on or before the
24 last day for filing.

25 (b) The statement required under this section shall be in affidavit
26 form or require verification under penalties of perjury. The statement
27 shall be filed in duplicate if the veteran has, or is buying under a
28 contract, real property in more than one (1) county or in more than one
29 (1) taxing district in the same county. The statement shall contain:

- 30 (1) a description and the assessed value of the real property,
31 mobile home, or manufactured home;
- 32 (2) the veteran's full name and complete residence address;
- 33 (3) the record number and page where the contract or
34 memorandum of the contract is recorded, if the individual is
35 buying the real property, mobile home, or manufactured home on
36 a contract that provides that the individual is to pay property taxes
37 on the real property, mobile home, or manufactured home; and
- 38 (4) any additional information which the department of local
39 government finance may require.

40 SECTION 10. IC 6-1.1-12-20, AS AMENDED BY P.L.154-2006,
41 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
42 JANUARY 1, 2008]: Sec. 20. (a) A property owner who desires to

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obtain the deduction provided by section 18 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the rehabilitated property is located. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. Except as provided in:

(1) subsection (b); **and**

(2) IC 6-1.3-4-1;

the application must be filed before June 11 of the year in which the addition to assessed value is made.

(b) If notice of the addition to assessed value for any year is not given to the property owner before May 11 of that year, the application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the township assessor.

(c) The application required by this section shall contain the following information:

(1) a description of the property for which a deduction is claimed in sufficient detail to afford identification;

(2) statements of the ownership of the property;

(3) the assessed value of the improvements on the property before rehabilitation;

(4) the number of dwelling units on the property;

(5) the number of dwelling units rehabilitated;

(6) the increase in assessed value resulting from the rehabilitation; and

(7) the amount of deduction claimed.

(d) A deduction application filed under this section is applicable for the year in which the increase in assessed value occurs and for the immediately following four (4) years without any additional application being filed.

(e) On verification of an application by the assessor of the township in which the property is located, the county auditor shall make the deduction.

SECTION 11. IC 6-1.1-12-24, AS AMENDED BY P.L.154-2006, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 24. (a) A property owner who desires to obtain the deduction provided by section 22 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is located. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for

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filing. Except as provided in:

(1) subsection (b); or

(2) **IC 6-1.3-4-1;**

the application must be filed before June 11 of the year in which the addition to assessed valuation is made.

(b) If notice of the addition to assessed valuation for any year is not given to the property owner before May 11 of that year, the application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the township assessor.

(c) The application required by this section shall contain the following information:

(1) the name of the property owner;

(2) a description of the property for which a deduction is claimed in sufficient detail to afford identification;

(3) the assessed value of the improvements on the property before rehabilitation;

(4) the increase in the assessed value of improvements resulting from the rehabilitation; and

(5) the amount of deduction claimed.

(d) A deduction application filed under this section is applicable for the year in which the addition to assessed value is made and in the immediate following four (4) years without any additional application being filed.

(e) On verification of the correctness of an application by the assessor of the township in which the property is located, the county auditor shall make the deduction.

SECTION 12. IC 6-1.1-12-27.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 27.1. Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by section 26 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. **Except as provided in IC 6-1.3-4-1**, with respect to real property, the person must file the statement during the twelve (12) months before May 11 of each year for which the person desires to obtain the deduction. With respect to a mobile home which is not assessed as real property, the person must file the statement between January 15 and March 31, inclusive, of each year for which the person desires to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the

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statement by the assessor of the township in which the real property or mobile home is subject to assessment, the county auditor shall allow the deduction.

SECTION 13. IC 6-1.1-12-30, AS AMENDED BY P.L.154-2006, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 30. Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by section 29 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. **Except as provided in IC 6-1.3-4-1,** with respect to real property, the person must file the statement between March 1 and June 11, inclusive, of each year for which the person desires to obtain the deduction. With respect to a mobile home which is not assessed as real property, the person must file the statement between January 15 and March 31, inclusive, of each year for which the person desires to obtain the deduction. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, the county auditor shall allow the deduction.

SECTION 14. IC 6-1.1-12-35.5, AS AMENDED BY P.L.154-2006, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 35.5. (a) Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by section 31, 33, 34, or 34.5 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, and proof of certification under subsection (b) or (f) with the auditor of the county in which the property for which the deduction is claimed is subject to assessment. Except as provided in:

(1) subsection (e); or

(2) **IC 6-1.3-4-1;**

with respect to property that is not assessed under IC 6-1.1-7, the person must file the statement between March 1 and June 11, inclusive, of the assessment year. The person must file the statement in each year for which the person desires to obtain the deduction. With respect to a property which is assessed under IC 6-1.1-7, the person must file the statement between January 15 and March 31, inclusive, of each year for which the person desires to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the property for which the deduction is claimed is subject to assessment, the county auditor shall

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1 allow the deduction.

2 (b) This subsection does not apply to an application for a deduction
3 under section 34.5 of this chapter. The department of environmental
4 management, upon application by a property owner, shall determine
5 whether a system or device qualifies for a deduction provided by
6 section 31, 33, or 34 of this chapter. If the department determines that
7 a system or device qualifies for a deduction, it shall certify the system
8 or device and provide proof of the certification to the property owner.
9 The department shall prescribe the form and manner of the certification
10 process required by this subsection.

11 (c) This subsection does not apply to an application for a deduction
12 under section 34.5 of this chapter. If the department of environmental
13 management receives an application for certification before May 11 of
14 the assessment year, the department shall determine whether the system
15 or device qualifies for a deduction before June 11 of the assessment
16 year. If the department fails to make a determination under this
17 subsection before June 11 of the assessment year, the system or device
18 is considered certified.

19 (d) A denial of a deduction claimed under section 31, 33, 34, or 34.5
20 of this chapter may be appealed as provided in IC 6-1.1-15. The appeal
21 is limited to a review of a determination made by the township
22 assessor, county property tax assessment board of appeals, or
23 department of local government finance.

24 (e) A person who timely files a personal property return under
25 IC 6-1.1-3-7(a) for an assessment year and who desires to claim the
26 deduction provided in section 31 of this chapter for property that is not
27 assessed under IC 6-1.1-7 must file the statement described in
28 subsection (a) between March 1 and June 11, inclusive, of that year. A
29 person who obtains a filing extension under IC 6-1.1-3-7(b) for an
30 assessment year must file the application between March 1 and the
31 extended due date for that year.

32 (f) This subsection applies only to an application for a deduction
33 under section 34.5 of this chapter. The center for coal technology
34 research established by IC 4-4-30-5, upon receiving an application
35 from the owner of a building, shall determine whether the building
36 qualifies for a deduction under section 34.5 of this chapter. If the center
37 determines that a building qualifies for a deduction, the center shall
38 certify the building and provide proof of the certification to the owner
39 of the building. The center shall prescribe the form and procedure for
40 certification of buildings under this subsection. If the center receives
41 an application for certification of a building under section 34.5 of this
42 chapter before May 11 of an assessment year:

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(1) the center shall determine whether the building qualifies for a deduction before June 11 of the assessment year; and

(2) if the center fails to make a determination before June 11 of the assessment year, the building is considered certified.

SECTION 15. IC 6-1.1-12-38, AS AMENDED BY P.L.154-2006, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 38. A person is entitled to a deduction from the assessed value of the person's property in an amount equal to the difference between:

(1) the assessed value of the person's property, including the assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-3-3-12 and the pesticide storage rules adopted by the ~~state chemist~~ **Indiana pesticide review board** under ~~IC 15-3-3.5-11~~; **IC 15-3-3.5-10**; minus

(2) the assessed value of the person's property, excluding the assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-3-3-12 and the pesticide storage rules adopted by the ~~state chemist~~ **Indiana pesticide review board** under ~~IC 15-3-3.5-11~~; **IC 15-3-3.5-10**.

(b) To obtain the deduction under this section, a person must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is subject to assessment. In addition to the certified statement, the person must file **the following, as applicable:**

(1) A certification by the state chemist listing the improvements that were made to comply with the fertilizer storage rules adopted under IC 15-3-3-12. ~~and~~

(2) **A certification by the Indiana pesticide review board listing the improvements that were made to comply with the pesticide storage rules adopted by the ~~state chemist~~ Indiana pesticide review board under ~~IC 15-3-3.5-11~~; IC 15-3-3.5-10.**

Except as provided in IC 6-1.3-4-1, the statement and certification or certifications must be filed before June 11 of the year preceding the year the deduction will first be applied. Upon the verification of the statement and certification or certifications by the assessor of the township in which the property is subject to assessment, the county auditor shall allow the deduction.

SECTION 16. IC 6-1.1-12.1-5, AS AMENDED BY P.L.193-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 5. (a) A property owner who desires to

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1 obtain the deduction provided by section 3 of this chapter must file a
 2 certified deduction application, on forms prescribed by the department
 3 of local government finance, with the auditor of the county in which the
 4 property is located. Except as otherwise provided in:

5 (1) subsection (b) or (e); **or**

6 (2) **IC 6-1.3-4-4;**

7 the deduction application must be filed before May 10 of the year in
 8 which the addition to assessed valuation is made.

9 (b) If notice of the addition to assessed valuation or new assessment
 10 for any year is not given to the property owner before April 10 of that
 11 year, the deduction application required by this section may be filed not
 12 later than thirty (30) days after the date such a notice is mailed to the
 13 property owner at the address shown on the records of the township
 14 assessor.

15 (c) The deduction application required by this section must contain
 16 the following information:

17 (1) The name of the property owner.

18 (2) A description of the property for which a deduction is claimed
 19 in sufficient detail to afford identification.

20 (3) The assessed value of the improvements before rehabilitation.

21 (4) The increase in the assessed value of improvements resulting
 22 from the rehabilitation.

23 (5) The assessed value of the new structure in the case of
 24 redevelopment.

25 (6) The amount of the deduction claimed for the first year of the
 26 deduction.

27 (7) If the deduction application is for a deduction in a
 28 residentially distressed area, the assessed value of the
 29 improvement or new structure for which the deduction is claimed.

30 (d) A deduction application filed under subsection (a) or (b) is
 31 applicable for the year in which the addition to assessed value or
 32 assessment of a new structure is made and in the following years the
 33 deduction is allowed without any additional deduction application
 34 being filed. However, property owners who had an area designated an
 35 urban development area pursuant to a deduction application filed prior
 36 to January 1, 1979, are only entitled to a deduction for a five (5) year
 37 period. In addition, property owners who are entitled to a deduction
 38 under this chapter pursuant to a deduction application filed after
 39 December 31, 1978, and before January 1, 1986, are entitled to a
 40 deduction for a ten (10) year period.

41 (e) A property owner who desires to obtain the deduction provided
 42 by section 3 of this chapter but who has failed to file a deduction

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1 application within the dates prescribed in subsection (a) or (b) may file
 2 a deduction application between March 1 and May 10 of a subsequent
 3 year which shall be applicable for the year filed and the subsequent
 4 years without any additional deduction application being filed for the
 5 amounts of the deduction which would be applicable to such years
 6 pursuant to section 4 of this chapter if such a deduction application had
 7 been filed in accordance with subsection (a) or (b).

8 (f) Subject to subsection (i), the county auditor shall act as follows:

9 (1) If a determination about the number of years the deduction is
 10 allowed has been made in the resolution adopted under section
 11 2.5 of this chapter, the county auditor shall make the appropriate
 12 deduction.

13 (2) If a determination about the number of years the deduction is
 14 allowed has not been made in the resolution adopted under
 15 section 2.5 of this chapter, the county auditor shall send a copy of
 16 the deduction application to the designating body. Upon receipt
 17 of the resolution stating the number of years the deduction will be
 18 allowed, the county auditor shall make the appropriate deduction.

19 (3) If the deduction application is for rehabilitation or
 20 redevelopment in a residentially distressed area, the county
 21 auditor shall make the appropriate deduction.

22 (g) The amount and period of the deduction provided for property
 23 by section 3 of this chapter are not affected by a change in the
 24 ownership of the property if the new owner of the property:

25 (1) continues to use the property in compliance with any
 26 standards established under section 2(g) of this chapter; and

27 (2) files an application in the manner provided by subsection (e).

28 (h) The township assessor shall include a notice of the deadlines for
 29 filing a deduction application under subsections (a) and (b) with each
 30 notice to a property owner of an addition to assessed value or of a new
 31 assessment.

32 (i) Before the county auditor acts under subsection (f), the county
 33 auditor may request that the township assessor of the township in
 34 which the property is located review the deduction application.

35 (j) A property owner may appeal a determination of the county
 36 auditor under subsection (f) to deny or alter the amount of the
 37 deduction by requesting in writing a preliminary conference with the
 38 county auditor not more than forty-five (45) days after the county
 39 auditor gives the person notice of the determination. An appeal
 40 initiated under this subsection is processed and determined in the same
 41 manner that an appeal is processed and determined under IC 6-1.1-15.

42 SECTION 17. IC 6-1.1-20.9-3, AS AMENDED BY P.L.154-2006,

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SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3. (a) An individual who desires to claim the credit provided by section 2 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the homestead is located. The statement shall include the parcel number or key number of the real estate and the name of the city, town, or township in which the real estate is located. **Except as provided in IC 6-1.3-4-1**, with respect to real property, the statement must be filed during the twelve (12) months before June 11 of the year prior to the first year for which the person wishes to obtain the credit for the homestead. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 2 of the first year for which the individual wishes to obtain the credit. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement applies for that first year and any succeeding year for which the credit is allowed.

(b) The certified statement referred to in subsection (a) shall contain the name of any other county and township in which the individual owns or is buying real property.

(c) If an individual who is receiving the credit provided by this chapter changes the use of the individual's real property, so that part or all of that real property no longer qualifies for the homestead credit provided by this chapter, the individual must file a certified statement with the auditor of the county, notifying the auditor of the change of use within sixty (60) days after the date of that change. An individual who changes the use of the individual's real property and fails to file the statement required by this subsection is liable for the amount of the credit the individual was allowed under this chapter for that real property.

(d) An individual who receives the credit provided by section 2 of this chapter for property that is jointly held with another owner in a particular year and remains eligible for the credit in the following year is not required to file a statement to reapply for the credit following the removal of the joint owner if:

- (1) the individual is the sole owner of the property following the death of the individual's spouse;
- (2) the individual is the sole owner of the property following the death of a joint owner who was not the individual's spouse; or
- (3) the individual is awarded sole ownership of property in a

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divorce decree.

SECTION 18. IC 6-1.1-24-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: **Sec. 0.5. The payment of an interim property fee under IC 6-1.3 is subject to enforcement in the same manner that the payment of property taxes is enforced under this chapter and IC 6-1.1-25.**

SECTION 19. IC 6-1.1-42-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 27. (a) A property owner who desires to obtain the deduction provided by section 24 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is located. Except as otherwise provided in:

(1) subsection (b) or (e); or

(2) **IC 6-1.3-4-1;**

the deduction application must be filed before May 10 of the year in which the addition to assessed valuation is made.

(b) If notice of the addition to assessed valuation or new assessment for any year is not given to the property owner before April 10 of that year, the deduction application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the township assessor.

(c) The certified deduction application required by this section must contain the following information:

(1) The name of each owner of the property.

(2) A certificate of completion of a voluntary remediation under IC 13-25-5-16.

(3) Proof that each owner who is applying for the deduction:

(A) has never had an ownership interest in an entity that contributed; and

(B) has not contributed;

a contaminant (as defined in IC 13-11-2-42) that is the subject of the voluntary remediation, as determined under the written standards adopted by the department of environmental management.

(4) Proof that the deduction was approved by the appropriate designating body.

(5) A description of the property for which a deduction is claimed in sufficient detail to afford identification.

(6) The assessed value of the improvements before remediation

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and redevelopment.

(7) The increase in the assessed value of improvements resulting from remediation and redevelopment.

(8) The amount of the deduction claimed for the first year of the deduction.

(d) A certified deduction application filed under subsection (a) or (b) is applicable for the year in which the addition to assessed value or assessment of property is made and each subsequent year to which the deduction applies under the resolution adopted under section 24 of this chapter.

(e) A property owner who desires to obtain the deduction provided by section 24 of this chapter but who has failed to file a deduction application within the dates prescribed in subsection (a) or (b) may file a deduction application between March 1 and May 10 of a subsequent year which is applicable for the year filed and the subsequent years without any additional certified deduction application being filed for the amounts of the deduction which would be applicable to such years under this chapter if such a deduction application had been filed in accordance with subsection (a) or (b).

(f) On verification of the correctness of a certified deduction application by the assessor of the township in which the property is located, the county auditor shall, if the property is covered by a resolution adopted under section 24 of this chapter, make the appropriate deduction.

(g) The amount and period of the deduction provided for property by section 24 of this chapter are not affected by a change in the ownership of the property if the new owner of the property:

(1) is a person that:

(A) has never had an ownership interest in an entity that contributed; and

(B) has not contributed;

a contaminant (as defined in IC 13-11-2-42) that is the subject of the voluntary remediation, as determined under the written standards adopted by the department of environmental management;

(2) continues to use the property in compliance with any standards established under sections 7 and 23 of this chapter; and

(3) files an application in the manner provided by subsection (e).

(h) The township assessor shall include a notice of the deadlines for filing a deduction application under subsections (a) and (b) with each notice to a property owner of an addition to assessed value or of a new assessment.

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SECTION 20. IC 6-1.3 IS ADDED TO THE INDIANA CODE AS
A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE
JANUARY 1, 2008]:

ARTICLE 1.3. INTERIM PROPERTY FEES

Chapter 1. Definitions

Sec. 1. The definitions set forth in IC 6-1.1-1 apply throughout
this article.

Chapter 2. Imposition of Interim Property Fee

Sec. 1. Except as provided in section 2 of this chapter, a county
shall impose an interim property fee on each newly constructed
homestead in the county beginning January 1, 2008.

Sec. 2. The interim property fee does not apply to a homestead
that:

- (1) is constructed on a parcel of land; and
- (2) replaces within two (2) years a homestead that was
previously located on the parcel.

Chapter 3. Assessment

Sec. 1. The township assessor shall determine assessments for
homesteads located within the township. The township assessor
shall determine an assessment for a particular homestead in a
calendar year under this section as of the first day of the next
month following:

- (1) the date a certificate of occupancy is issued for the
homestead by the appropriate government official or agency;
- (2) if subdivision (1) does not apply, the date other approval
to occupy or use the homestead is issued by the appropriate
government official or agency; or
- (3) if subdivisions (1) and (2) do not apply, the date the
homestead is determined by the township assessor to be
available for occupancy or use;

if the date referred to in subdivision (1), (2), or (3) is after March
1 of the calendar year and before January 1 of the following
calendar year.

Sec. 2. The township assessor shall determine an assessment
under section 1 of this chapter by determining:

- (1) the real property tax assessment that would have been
determined for the homestead if the homestead had been
subject to assessment as a completed homestead ready for
occupancy or use under IC 6-1.1 on the assessment date of the
calendar year for which the assessment is determined under
section 1 of this chapter; minus
- (2) any partial assessment of the homestead under IC 6-1.1 for

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the assessment date.

Sec. 3. An assessment determined under section 1 of this chapter does not constitute a property tax assessment of the homestead for purposes of IC 6-1.1.

Sec. 4. (a) If a township assessor completes an assessment under section 1 of this chapter before January 15 of the calendar year that immediately follows the calendar year for which the assessment is determined, the assessor shall do the following:

(1) Certify the following to the county assessor, county auditor, and county treasurer before February 1 of that year:

(A) The legal description of the homestead assessed.

(B) The amount of the assessment determined for the homestead.

(C) The mailing address of the property owner.

(2) Not later than five (5) days after the completion of the assessment, notify the property owner:

(A) of the assessment;

(B) that the property owner might be eligible for:

(i) one (1) or more deductions; or

(ii) a credit;

as provided in IC 6-1.3-4; and

(C) that to qualify for a deduction or a credit under IC 6-1.3-4, the property owner must file an application under that chapter not later than twenty (20) days after the date of the notice under this subdivision.

(b) If a township assessor completes an assessment under section 1 of this chapter after January 14 of the calendar year that immediately follows the calendar year for which the assessment is determined, the assessor or department shall as soon as possible after the completion of the assessment certify to the county assessor, county auditor, and county treasurer the information under subsection (a)(1).

Sec. 5. (a) Except as provided in subsection (b), an assessment under section 1 of this chapter is subject to appeal in the same manner that a real property tax assessment is subject to appeal under IC 6-1.1-15.

(b) An appeal under subsection (a)(1) must be made as provided in IC 6-1.1-15-1(b)(1).

Chapter 4. Deductions, Credits, and Exemptions

Sec. 1. (a) Except as provided in subsection (b), deductions under IC 6-1.1-12 apply to assessments under this article in the same manner the deductions apply to property tax assessments.

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(b) To qualify for a deduction under subsection (a), the property owner must file a deduction application with the county auditor not later than twenty (20) days after the date of the notice under IC 6-1.3-3-4(a)(2).

Sec. 2. (a) Except as provided in subsections (b) and (c), the homestead credit under IC 6-1.1-20.9 applies to interim property fees under this article in the same manner the credit applies to property taxes on homesteads.

(b) To qualify for a credit under subsection (a), the property owner must file a credit application with the county auditor not later than twenty (20) days after the date of the notice under IC 6-1.3-3-4(a)(2).

(c) Notwithstanding IC 6-1.1-20.9-2(a), to qualify for the homestead credit under this section, it is not required that the applicant on March 1 of the year for which the assessment is determined under IC 6-1.3-3-1 either owns or is buying a homestead under a contract that provides the individual is to pay the property taxes on the homestead.

(d) If the homestead credit applies to interim property fees under this section, the deduction under IC 6-1.1-12-37 applies to the assessment on which the fees are determined in the same manner the deduction applies to a property tax assessment.

Sec. 3. (a) Except as provided in subsection (c), an application for a deduction under this chapter applies to:

- (1) the assessment under IC 6-1.3-3-1 for the year for which the assessment is determined; and
- (2) the property tax assessment for the immediately succeeding year.

(b) Except as provided in subsection (c), an application for a credit under this chapter applies to:

- (1) the interim property fee under this article for the year for which the assessment is determined; and
- (2) the property taxes for the immediately succeeding year.

(c) The property owner must:

- (1) file a new application for a property tax deduction or credit for the year referred to in subsection (a)(2) or (b)(2) if a change in the owner's circumstances changes the owner's eligibility for the deduction or credit; and
- (2) notify the county auditor if the property owner no longer qualifies for the deduction or credit for the year referred to in subsection (a)(2) or (b)(2).

Chapter 5. Determination of Interim Property Fee

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Sec. 1. (a) The county auditor shall:

- (1) calculate the interim property fee liability of each homestead for the calendar year of the assessment; and**
- (2) except as provided in subsection (b), certify the amount of each property fee liability to the county treasurer before April 1 of the immediately following calendar year.**

(b) If an assessment is certified to the county auditor under IC 6-1.3-3-4(a)(1) after March 15 of the immediately following calendar year referred to in subsection (a)(2), the county auditor shall certify the amount of the property fee liability with respect to the assessment to the county treasurer not later than fifteen (15) days after the assessment is certified.

Sec. 2. The owner's interim property fee liability under this chapter for a property for a calendar year is the result under STEP SIX of the following formula:

STEP ONE: Determine the assessment of the homestead for the calendar year as certified under IC 6-1.3-3-4.

STEP TWO: If the owner qualifies for one (1) or more deductions under IC 6-1.3-4, reduce the STEP ONE assessment by the combined amount of the deductions.

STEP THREE: Multiply the STEP TWO result by the net property tax rate (after consideration of the property tax replacement credit under IC 6-1.1-21) for the taxing district in which the homestead is located for property taxes first due and payable in the calendar year immediately following the calendar year for which the assessment is certified under IC 6-1.3-3-4.

STEP FOUR: If the owner qualifies for the homestead credit under IC 6-1.3-4, reduce the STEP THREE result by:

(A) the homestead credit percentage; and

(B) any additional homestead credit percentage under IC 6-3.5-6 or IC 6-3.5-7;

that apply for the taxing district in which the homestead is located for property taxes first due and payable in the calendar year immediately following the calendar year for which the assessment is certified under IC 6-1.3-3-4.

STEP FIVE: Determine the percentage under the following table for the listed month that corresponds to the month in which the date determined under IC 6-1.3-3-1(1), IC 6-1.3-3-1(2), or IC 6-1.3-3-1(3) for the property occurs:

March	83.3%
April	75.0%

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1	May	66.7%
2	June	58.3%
3	July	50.0%
4	August	41.7%
5	September	33.3%
6	October	25.0%
7	November	16.7%
8	December	8.3%
9	STEP SIX: Multiply the STEP FOUR result by the percentage	
10	determined in STEP FIVE.	
11	Chapter 6. Payment of Interim Property Fee	
12	Sec. 1. (a) An interim property fee:	
13	(1) except as provided in subsection (b), is due in two (2) equal	
14	installments on May 10 and November 10 of the calendar year	
15	immediately following the calendar year for which the	
16	assessment is determined under IC 6-1.3-3-1, subject to	
17	section 2 of this chapter; and	
18	(2) must be paid to the county treasurer.	
19	(b) With respect to an assessment for which the county	
20	treasurer is unable for any reason to mail or transmit an interim	
21	property fee billing statement along with statements for the	
22	property tax installment due on May 10 of the calendar year	
23	immediately following the calendar year for which the assessment	
24	is determined under IC 6-1.3-3-1, the treasurer may issue a billing	
25	statement for the full interim property fee due November 10 of that	
26	year.	
27	Sec. 2. IC 6-1.1-37-10 applies to payments under this chapter.	
28	Chapter 7. County Treasurer Duties	
29	Sec. 1. The county treasurer shall:	
30	(1) distribute interim property fee revenue under this article	
31	to the taxing units in which the homestead is located:	
32	(A) in the same proportion; and	
33	(B) at the same time;	
34	that property taxes are distributed to the taxing units;	
35	(2) mail, to the last known address of each person liable for an	
36	interim property fee, a statement of the interim property fee	
37	that is due;	
38	(3) transmit, by written, electronic, or other means to a	
39	mortgagee maintaining an escrow account for a person who	
40	is liable for an interim property fee, a statement of the interim	
41	property fee that is due; and	
42	(4) include the following in the statement mailed or	

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transmitted under subdivisions (2) and (3):

(A) An itemized listing, including:

- (i) the amounts of any deductions applied to the assessment;
- (ii) the amount of the tax rate used to calculate the interim property fee;
- (iii) the amounts of any credits used to calculate the interim property fee; and
- (iv) the amount of the interim property fee attributable to the property.

(B) Information designed to inform the property owner or mortgagee clearly and accurately of the manner in which the interim property fee billed in the statement is to be used.

Sec. 2. The form used and the method by which the statement and information, if any, are transmitted under section 1 of this chapter must be approved by the state board of accounts. The county treasurer shall mail or transmit the statement and information one (1) time each year at least fifteen (15) days before the date on which the first installment or only installment is due. The statement must contain the date or dates on which the installment or installments are due and denote the amount to be paid for each installment.

Chapter 8. Enforcement of Payment of Interim Property Fee

Sec. 1. (a) The state acquires a lien on each homestead for all interim property fees levied against the homestead under this article, and all subsequent penalties and cost resulting from the fees. This lien attaches on December 31 of the year for which the assessment is determined under IC 6-1.3-3-1. The lien is not affected by any sale or transfer of the homestead, including the sale, exchange, or lease of the tract under IC 36-1-11.

(b) The lien of the state under subsection (a) for interim property fees, penalties, and cost continues for ten (10) years from May 10 of the year in which the fees first become due. However, if any proceeding is instituted to enforce the lien within the ten (10) year period, the limitation is extended, if necessary, to permit the termination of the proceeding.

(c) The lien of the state under subsection (a) inures to taxing units that impose the interim property fees on which the lien is based, and the lien is superior to all other liens except the lien for property taxes under IC 6-1.1-22-13.

(d) A taxing unit described in subsection (c) may institute a civil

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suit against a person or an entity liable for delinquent interim property fees. The taxing unit may, after obtaining a judgment, collect:

- (1) delinquent interim property fees;
- (2) penalties due to the delinquency; and
- (3) costs and expenses incurred in collecting the delinquent interim property fees, including reasonable attorney's fees and court costs approved by a court with jurisdiction.

Sec. 2. The payment of an interim property fee under this article is subject to enforcement in the same manner that the payment of property taxes is enforced under IC 6-1.1-24 and IC 6-1.1-25.

Chapter 9. Relation of Interim Property Fee to Property Tax Levy

Sec. 1. The interim property fee imposed upon a property under this article is in addition to any property taxes levied against the property under IC 6-1.1.

Sec. 2. The property tax levy of each taxing unit in the county is reduced each calendar year so that the levy equals the remainder of:

- (1) the amount of the property tax levy that would have been imposed for the calendar year by the taxing unit without regard to this article; minus
- (2) the amount of the interim property fees imposed for the calendar year.

SECTION 21. IC 20-46.5 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]:

ARTICLE 46.5. EDUCATION IMPACT FEE

Chapter 1. Definitions

Sec. 1. The definitions in this chapter apply throughout this article.

Sec. 2. "Capital projects fund" means the capital projects fund established under IC 20-40-8.

Sec. 3. "Homestead" has the meaning set forth in IC 6-1.1-20.9-1(2).

Sec. 4. "Multifamily residential building" means a building with more than one (1) residential living unit.

Chapter 2. Imposition

Sec. 1. Except as provided in section 2 of this chapter, a county shall impose an education impact fee on each newly constructed:

- (1) homestead; and
- (2) multifamily residential building;

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in the county beginning January 1, 2008.

Sec. 2. The impact fee does not apply to a homestead that:

- (1) is constructed on a parcel of land; and
- (2) replaces within two (2) years a homestead that was previously located on the parcel.

Sec. 3. (a) Before a conveyance document is filed with the county auditor under IC 6-1.1-5-4, the purchaser of:

- (1) a homestead; or
- (2) a multifamily residential building;

in the county that is subject to the impact fee under this chapter must pay the impact fee to the county auditor in the amount determined under section 4 of this chapter.

(b) The county auditor may not accept a conveyance document for conveyance of property subject to the impact fee under this chapter if the impact fee is not paid as required under subsection (a).

Sec. 4. The amount of the impact fee imposed by this chapter is as follows:

- (1) Two thousand five hundred dollars (\$2,500) for a homestead.
- (2) One thousand two hundred fifty dollars (\$1,250) per residential living unit for a multifamily residential building.

Chapter 3. Deposit and Use of Revenue

Sec. 1. The county auditor shall deposit the revenue from the impact fee imposed under this chapter in the capital projects fund of the school corporation in which the homestead on which the impact fee is imposed is located.

Sec. 2. A school corporation may use money deposited under section 1 of this chapter in the capital projects fund for any purpose permitted under IC 20-4-8.

Chapter 4. Enforcement

Sec. 1. (a) A purchaser of a homestead or a multifamily residential building who:

- (1) is required to pay an impact fee under this chapter; and
- (2) fails to pay the impact fee at the time and in the manner required by this chapter;

is subject to a penalty in the amount determined under subsection (b).

(b) The amount of the penalty under subsection (a) on a homestead is the greater of:

- (1) one hundred dollars (\$100); or
- (2) twenty-five thousandths percent (0.025%) of the sale price

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1 of the real property transferred under the conveyance
2 document.

3 (c) The amount of the penalty under subsection (a) on a
4 multifamily residential building is the greater of:

5 (1) fifty dollars (\$50) per residential living unit; or

6 (2) twenty-five thousandths percent (0.025%) of the sale price
7 of the real property transferred under the conveyance
8 document.

9 (d) The county auditor shall:

10 (1) determine the penalty imposed under this section;

11 (2) assess the penalty to the purchaser;

12 (3) notify the purchaser that the penalty is payable not later
13 than thirty (30) days after notice of the assessment;

14 (4) collect the penalty imposed under this section;

15 (5) deposit penalty collections in the fund referred to in
16 IC 20-46.5-3-1; and

17 (6) notify the county prosecuting attorney of delinquent
18 payments.

19 (e) The county prosecuting attorney shall initiate an action to
20 recover a delinquent penalty under this section. In a successful
21 action against a person for a delinquent penalty, the court shall
22 award the prosecuting attorney reasonable attorney's fees.

23 SECTION 22. IC 36-6-5-3, AS AMENDED BY P.L.162-2006,
24 SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
25 JANUARY 1, 2008]: Sec. 3. The assessor shall perform the duties
26 prescribed by statute, including assessment duties prescribed by
27 IC 6-1.1 and IC 6-1.3.

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